

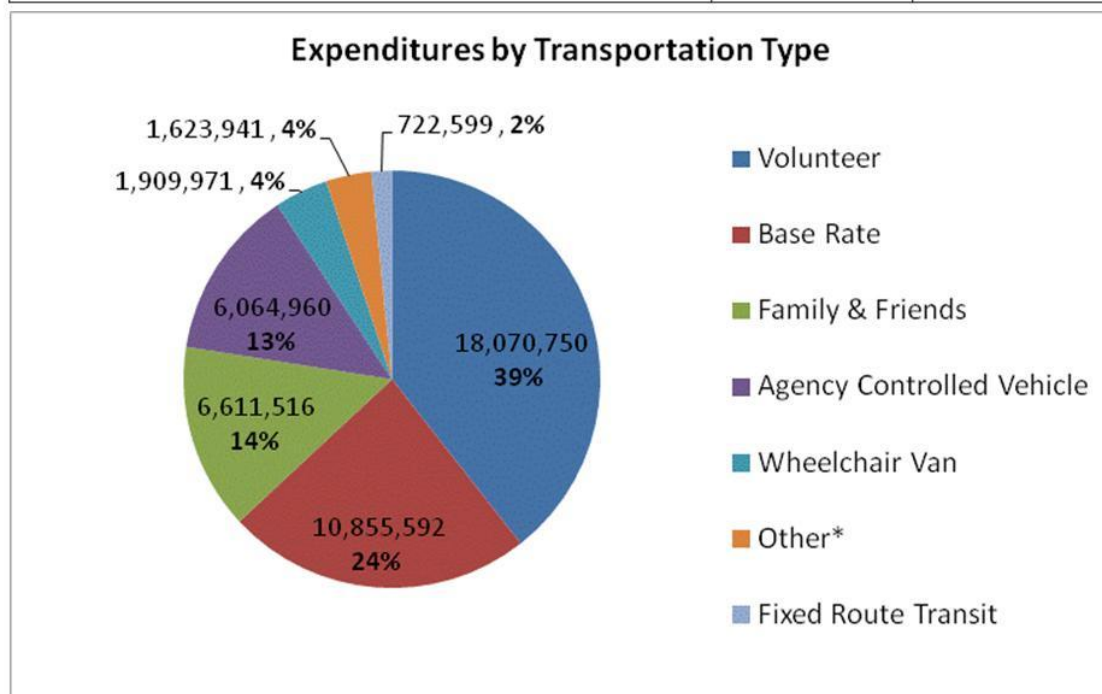
# MaineCare Non Emergency Medical Transportation System Redesign

## Overview of System

MaineCare’s Non-Emergency Medical Transportation (NEMT) services provide rides for MaineCare members to and from covered, non-emergency Medicaid services, such as doctor appointments and dialysis, when members do not have an alternate way to get to the appointment on their own. Annually, MaineCare currently spends \$45 million total, \$11.5 million in state dollars for these services. The Maine Department of Transportation annually spends \$12.5 million total, \$500 thousand in state dollars on transit services for the larger public.

	SFY 09	SFY 10
Total MaineCare transportation spending (NEMT & waiver)	\$44.7M	\$45.9M
Total distinct members receiving transportation	42,449	44,296
% of total MaineCare members receiving transportation	13.9%	13.6%

- ~\$45M annual spending
- ~14% of MaineCare Members



- Base rates paid to current FS RTPs represent almost 25% of total spending.

## CMS Compliance Issues

In 2009, CMS began working with the Office of MaineCare Services to identify the following aspects of the current system outlined in Maine's State Plan that are out of compliance with federal regulations:

- MaineCare has been improperly claiming the Full Medical Assistance Percentage (FMAP) for NEMT services that should have been claimed at the administrative rate.
- The current Full Service Regional Transportation Providers (FSRTPs) cannot continue to play a dual role of broker and provider – CMS asserts that this arrangement is a conflict of interest, as providers can self refer.
- As the system is currently structured, FSRTPs cannot continue to pass-through reimbursement to volunteers, family and friends.

These compliance issues place the Department at risk for federal audit for an estimated \$11.4M for SFY2010 alone. CMS notified MaineCare in November of 2010 that a redesign of MaineCare's NEMT system is necessary in order to achieve compliance with CMS regulations and maintain the current federal match. Alternately, the cost of staying largely with the existing structure would be **\$6 million in additional state general fund (MaineCare seed) annually, \$12 million for the biennium**, to replace the reduction in federal Medicaid reimbursement. Due to the critical nature of these compliance matters, the Department is working with CMS to achieve an aggressive timeline of winter 2012 implementation of a compliant system.

## Options for System Redesign

CMS presented three options for restructuring MaineCare transportation, detailed in the attached chart:

- Risk-Based Pre-paid Ambulatory Health Plan (PAHP)
- Non-Risk PAHP
- State Plan Transportation Brokerage

## Impacts of System Redesign

The redesign of MaineCare's current NEMT system has implications for the state that reach beyond the Department of Health & Human Services. Maine's current system of full service regional transportation providers (FSRTPs) arranges and provides transportation not just for NEMT, but for the state as a whole. The Department recognizes the importance of maintaining the state's transit infrastructure, and is working in conjunction with the Maine Department of Transportation to continue the emphasis on coordinated services through the RFP. At the same time, per CMS, the Department must ensure that no MaineCare dollars inadvertently go to subsidize transportation to non-Medicaid services.

The Department believes there is room for significant improvement of the current system relating to member access, provider accountability for the delivery of quality services, and the availability of consistent, accurate data. DHHS and the Maine Department of Transportation will continue to meet with appropriate representatives from concerned parties to address concerns and discuss constraints regarding the redesign of the NEMT system.